



State Board of Equalization

News Release

Bill Leonard, Member

2nd District – Sacramento

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www.boe.ca.gov

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BILL LEONARD SAYS GAS USE DOWN FOR THE FOURTH QUARTER 2007

Price Increases Continue to Boost Sales Taxes Collected at the Pump

Bill Leonard, Member of the State Board of Equalization (BOE), today released gasoline consumption figures for the fourth quarter of 2007. Californians used less gasoline in the last three months of 2007 than they did a year ago.

In the fourth quarter of 2007, gasoline consumption declined by 57 million gallons from the fourth quarter of 2006, continuing the downward trend in gasoline consumption for the last seven quarters.

Californians used a total of 15.672 billion gallons of gasoline for the twelve months of 2007, which is a decline of 153 million gallons from the total of 15.825 billion gallons for the calendar year 2006.

The consumption figures reported for November 2007 total 1.23 billion gallons, while the figure for December 2007 is 1.35 billion gallons. These are net consumption figures that include adjustments in gallons based on BOE audit assessments, refunds, amended and late tax returns, and State Controllers Office refunds. The November 2007 figures include a 14.6 million gallon downward adjustment due to refunds. The December 2007 figures include an increased adjustment of 54.2 million gallons due to audit assessments. Gallons reported on a monthly basis are always net numbers that include audit-related and other adjustments. Unlike the November and December data, the assessments, refunds and amendments typically do not result in significant statistical differences when making comparisons.

The fourth quarter of 2007's average pump price of \$3.29 was 73 cents above the fourth quarter of 2006 average pump price of \$2.56.

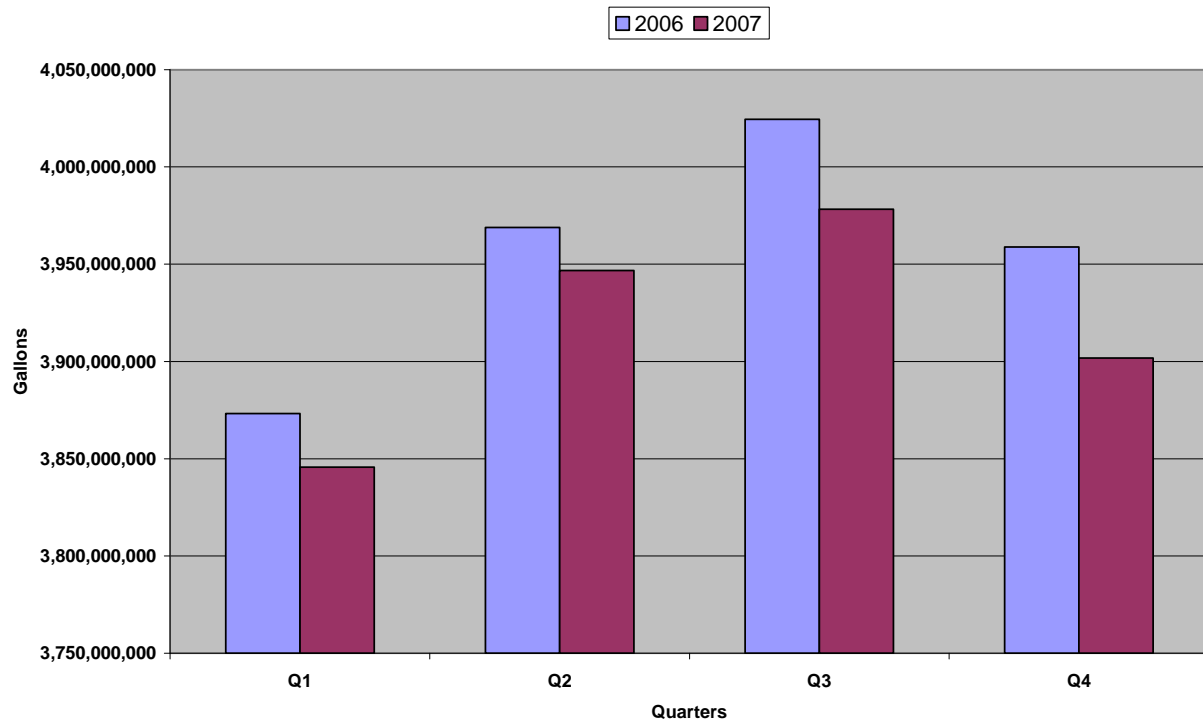
The BOE estimates that nearly twice as much sales tax is generated annually by higher gasoline prices than five years ago. Those higher prices generated approximately \$3.6 billion in sales tax during 2007 when the average price was \$3.12. In contrast, 2003's gasoline sales generated \$2.1 billion when the average pump price was \$1.88. The State's excise tax, 18 cents collected on every gallon, has remained relatively stable.

The publicly-elected Board is able to monitor gallons through tax receipts paid by fuel distributors. Figures for January 2008 will be available near the end of April. All monthly, quarterly and annual figures can be viewed at http://www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

Bill Leonard, of Sacramento/Ontario, was elected as the Second District Member of the State Board of Equalization in 2002 and reelected in November 2006. Prior to his election, Bill Leonard served in the State Assembly (1978-1988, 1996-2002) and in the State Senate (1988-1996).

The five-member State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

Comparison of Gallons of Gasoline Use in California
from the First Quarter of 2006 through the Fourth Quarter of 2007



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